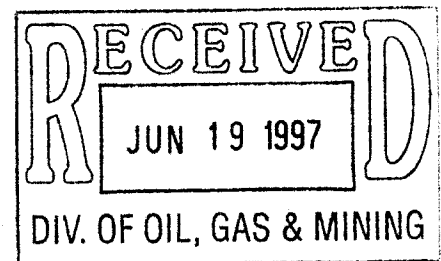




United States Department of the Interior

BUREAU OF LAND MANAGEMENT
CEDAR CITY DISTRICT
BEAVER RIVER RESOURCE AREA
176 East D.L. Sargent Dr.
Cedar City, Utah 84720



IN REPLY REFER TO:
UT-044
3809
UTU-72221

June 16, 1997

CERTIFIED MAIL NUMBER Z 776 775 453
Return Receipt Requested

Steven Hodges
P.O. Box 874
Beaver, UT 84713

Dear Mr. Hodges:

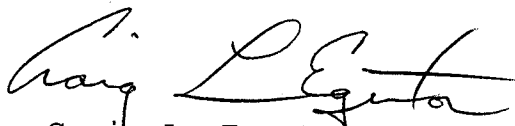
We have recently inspected the mining activity on your Anvil #1 unpatented mining claim. Your notice indicated that 0.25 acres of disturbance would occur. It appears from our last inspection that more than this acreage has been disturbed. Please amend your notice to reflect this change. This may be done by submitting a letter describing the total acreage you plan to disturb and the equipment which you plan to use.

Due to changes in the regulations found at 43 CFR 3809, an estimate of the reclamation costs for the entire project must now be submitted to the Bureau of Land Management. This estimate must be certified by a professional engineer certified to work in the State of Utah and must reflect the cost of a third party completing the reclamation work. Also, a certificate of financial guarantee must be submitted which will ensure that the BLM will be able to access funds you have set aside for reclamation should you not perform the work yourself. Forms to assist in submitting this information are attached. These forms do not need to be used, they are merely to assist you in submitting the required information. However, all of the information required at 43 CFR 3809 must be submitted.

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It is understood that this information is new and may be confusing. Please contact Gina Ginouves at (801) 865-3082 if you have questions. Please submit this information within 30 days of receipt of this letter. Refusal to do so could result in a Record of Noncompliance as well as penalties or fines. We look forward to working with you as we bring your operation into compliance with existing regulations.

Sincerely,



Craig L. Egerton
Area Manager

Attachments

1. Certificate of Financial Guarantee (CFG)
2. Directions for Filling Out the CFG
3. Reclamation Cost Estimation Summary Sheet

xc: Tom Munson, DOGM (without attachments)-S/001/038